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ABSTRACT

This document presents questions and answers to some frequently asked questions concerning student fees and financial aid at California's public colleges and universities. The answers provide an overview of costs and aid at public institutions of higher education in California. In the 2003-2004 year, California residents enrolled as full-time undergraduates would pay about $5,530 on average in systemwide and campus-based fees, and $18 a credit to attend colleges in the state's community college system. The community colleges are the least expensive of any in the United States, and the costs for the 4-year institutions amount to about half of the average amount charged at public counterpart institutions in the rest of the country. Undergraduate students at the University of California appear to pay about 30% of the cost of education in the system; those at campuses of California State University pay about 26% of this cost within that system, and community college students pay about 10% of the cost of their education. The question-and-answer format also provides information about student financial aid, from amounts granted to how to apply for aid. Also discussed is how recent student fee increases will affect enrollment at the state's public colleges and universities. (SLD)

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Frequently Asked Questions Concerning Student Fees and Financial Aid at California's Public Colleges and Universities

California Postsecondary Education Commission

2003

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1

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Frequently Asked Questions Concerning Student Fees and Financial Aid at California's Public Colleges and Universities

INFORMATION FROM THE CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

This document presents questions and answers to some frequently asked questions concerning student fees and financial aid at California's public colleges and universities.

Q: How much will California residents pay in tuition and/or fees to attend the State's public colleges and universities as full-time undergraduate students during the 2003-04 academic year?

A: California residents enrolled as full-time undergraduate students will pay about $5,530 on average in systemwide and campus-based student fees to attend the University of California, about $2,570 on average in systemwide and campus-based fees to attend the California State University, and $18 per credit unit to attend the California Community Colleges. California residents pay only what are considered "fees" to attend the State's public colleges and universities; they do not pay "tuition." Only non-California residents pay "tuition" to attend the State's public colleges and universities.

Q: How do California's resident undergraduate student fees compare to those charged by comparable institutions in other states?

A: California's Community Colleges are the least expensive of any community college in the entire nation; the national average tuition/fees for a full-time community college student is about $2,000 per year. California's community college fees are still about 33 percent less than those of New Mexico – the state that has the next lowest community college student fee nationally. The California State University's student fees amount to about one-half the average amount charged by their "public faculty salary comparison institutions" and about one-third less than average tuition and fees charged by comprehensive public state colleges and universities nationally. The University of California's resident undergraduate student fees are about 10 percent lower than the average amount charged by their "public faculty salary comparison institutions" and about equal to the average amount charged by public flagship universities nationally.

Q: What portion of the cost of providing postsecondary education is borne directly by resident students attending California's public colleges and universities and what portion is subsidized by the State?

A: While we have imperfect information concerning the exact cost associated with providing postsecondary education in California's public colleges and universities, we estimate that, on average, undergraduate residents attending the University of California pay about 30 percent of the cost of education in that system; California State University undergraduates pay about 26 percent of the cost within that system; and California Community College students pay about 10 percent of their cost of education.

Meanwhile, the State of California and its taxpayers are providing about two-thirds of the support for the cost of education at the University of California, about 74 percent of the cost of education at the California State University, and State and local property tax revenues combined support about 90 percent of the cost of education at the California Community Colleges.

The State and its taxpayers provide about $12,000 to support the postsecondary education of each full-time-equivalent student at the University of California, about $8,000 per full-time-equivalent student at the California State University, and State and local property tax revenues combined provide about $4,000 per full-time-equivalent student at the California Community Colleges.

Q: Given the recent increases in student fees, has additional financial aid been provided to offset the fee increases for financially needy students?

A: Yes. Both the State's Cal Grant program and the institutional financial aid programs administered by the University of California and the California State University have been increased in order to provide additional grant aid to financially needy students to offset

HE03-0088

the recent student fee increases. Both UC and CSU have set aside one third of the additional revenue generated from the student fee increase for additional grant aid to needy students. Financially needy students attending the California Community Colleges are also fully protected from the recent student fee increase. All financially needy community colleges students are eligible to have their student fees waived through the Community College Board of Governors' Fee Waiver Program. The overwhelming majority of financially needy students attending the State's public colleges and universities will receive some form of financial assistance to offset the recent student fee increases, but they must apply for financial aid in order to receive this assistance.

Q: Do middle-income students qualify for student financial aid and/or for grant assistance to offset the recent student fee increases?

A: Many middle-income students do qualify for student financial aid. The federal government has established a rather complex methodology for determining the financial need of a student based upon the student's and his or her family's individual circumstances. The State's public colleges and universities use this federal methodology for determining a student's financial need. Students who feel they need financial assistance in order to attend or complete their postsecondary education should apply for financial aid even if they believe they or their parents earn too much money. For example, the University of California has recently announced that all financially needy students whose family incomes are less than $90,000 would receive an institutional grant to partially offset the recent increase in UC student fees – even if those students do not qualify for any other types of grant aid. Because many middle income families are considered financially needy, they too are eligible to receive a waiver of all California Community College student fees. Even if students are not financially needy, they or their parents may still receive a federal tax credit and/or a federal tax deduction for the student fees they pay.

Q: How does a student apply for financial aid?

A: The first step in applying for student financial aid is to complete the *Free Application for Federal Student Aid* or FAFSA. The FAFSA is available from college and university student financial aid offices, in public libraries, or can be completed on-line at www.fafsa.ed.gov. Students are encouraged to contact their college or university's student financial aid office for assistance. In addition, California Community College students can have their student fees waived by completing a short application form and requesting a Board of Governor's (BOG) Fee Waiver. The Community College BOG Fee Waiver applications are available from any California Community College student financial aid office.

Q: How will the recent student fee increases affect enrollment at California's public colleges and universities?

A: Given the increased funding for grant aid to offset the student fee increases for financially needy students, the fee increases – by themselves – should have a relatively marginal impact on overall enrollments at California's public colleges and universities. Those students most at risk because of the recent fee increases are those who are unaware of or lack information about student financial aid and how to apply for that aid.

Actually, the Commission is concerned more about recent reductions in operating support for the State's public colleges and universities than the impact from the recent student fee increases. The Commission anticipates that enrollments in California's public colleges and universities are likely to be affected far more by the recent significant State budget reductions. These budget reductions will result in limitations in the number of courses offered and the support services available to students to assist them in making timely progress to their educational goals.

Decisions to limit student enrollments in order to protect the integrity and quality of the educational programs offered by our State's higher education institutions will also have a much greater impact on student enrollments than will be evidenced from the recent student fee increases. In fact, in passing the 2003-04 State budget, the Legislature indicated that because of State fiscal limitations, the University of California and the California State University would not receive additional funding in the 2004-05 state budget to support student enrollment growth. This legislative directive is unprecedented in California's history and begs the question of which students will be denied access to the State's public colleges and universities. The Commission anticipates preparing further analysis concerning potential student enrollment limitations.

The following page provides some basic facts and figures concerning California undergraduate student fees and financial aid over the past three-year period.

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Undergraduate Student Fee and Financial Aid Facts and Figures

	2001-02	2002-03	2003-04
Full-Time Resident Undergraduate Student Charges Includes Both Systemwide and Average Campus-Based Fees			
University of California	$3,859	$4,017 [1]	$5,537 [2]
California State University	$1,876	$1,998 [1]	$2,566 [2]
California Community Colleges Assuming 26 Semester Units per Year	$330	$330	$468 [2]
Maximum Cal Grant A Awards			
University of California	$3,429	$3,564	$4,984
California State University	$1,428	$1,524	$2,046
California Community Colleges	$0	$0	$0
Non-Public Institutions	$9,708	$9,708	$9,708
Maximum Cal Grant B Award for First-Year Undergraduate Students in All Postsecondary Segments	$1,551	$1,551	$1,551
Maximum Cal Grant B Award for Non-First-Year Undergraduate Students			
University of California	$4,980	$5,115	$6,535
California State University	$2,979	$3,075	$3,597
California Community Colleges	$1,551	$1,551	$1,551
Non-Public Institutions	$11,259	$11,259	$11,259
Maximum Cal Grant C Award in All Postsecondary Segments Except California Community Colleges [3]	$3,168	$3,168	$3,168
Maximum Federal Pell Grant Award	$3,750	$4,000	$4,050
(Note that most CCC students do not qualify for the maximum Pell Grant award amount because of current federal law.)			
Maximum Federal Subsidized Stafford Student Loan Limits for Undergraduate Students			
First Year Students	$2,625	$2,625	$2,625
Second Years Students	$3,500	$3,500	$3,500
Third and Fourth Year Students	$5,500	$5,500	$5,500
Cumulative Undergraduate Loan Limit for Dependent Undergraduate Students	$23,000	$23,000	$23,000
Total Undergraduate Institutional Aid, including Value of BOG Fee Waivers			
University of California	$188,528,941 [4]	$184,645,303 [4]	Not Available
California State University	$150,743,990 [4]	$142,656,543 [4]	Not Available
California Community Colleges	$104,729,481	Not Available	Not Available
Independent California Colleges and Universities	$854,000,000 [5]	Not Available	Not Available
Number or Percentage of Undergraduate Students Receiving Need-Based Student Financial Aid			
University of California	66,332 [6]	69,141 [6]	Not Available
California State University	142,142	145,740 [6]	Not Available
California Community Colleges	540,125	Not Available	Not Available
Independent California Colleges and Universities	90 Percent [7]	Not Available	Not Available

[1] These amounts represent what undergraduates actually paid; they do not represent the adjusted annualized student fee levels.

[2] Reflects a 30 percent increase in UC and CSU student fees and CCC fees at $18 per credit unit.

[3] The maximum amount a community college Cal Grant C recipient can receive is $576 to assist with the purchase of books/supplies.

[4] This figure represents all undergraduate institutional financial aid – both need-based and non-need based aid. For UC, the figure represents the amount provided during the traditional nine-month academic year. The 2002-03 figures for both UC and CSU are preliminary and have not been finalized.

[5] Includes all institutional aid provided to undergraduate, graduate, and professional school students.

[6] For UC, this figure represents the number of undergraduates receiving need-based financial aid during the traditional nine-month academic year. The 2002-03 figures for both UC and CSU are preliminary and have not been finalized.

[7] This figure represents all undergraduate students receiving financial aid – both need and non-need based student aid.

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